



C.L. "Butch" Otter, Governor  
Megan Ronk, Director

**Economic Advisory Council Meeting  
Thursday, May 26, 2016**

Idaho Department of Commerce  
700 West State Street, Boise – J.R. Williams Building

**Members Present Via Phone:**

Steve Meyer, *Region I*  
Robin Woods, *Region II*  
John Craner, *Region IV*  
Arlen Wittrock, *Region V*  
Gina Knudson, *Region VII*

**Members Present:**

Margie Watson, *At-Large*

**Members Absent:**

Mick Wiskerchen, *Region III*  
Mark Young, *Region VI*

**Commerce Staff Present Via Phone:**

Megan Ronk, *Director*

**Commerce Staff Present:**

Susan Davidson, *Program Manager*  
Dennis Porter, *Community Development Program Manager*  
Sharon Deal, *Community Development Specialist*  
Audra Fink, *Administrative Assistant*  
Eric Forsch, *Business Attraction Specialist*  
Kallen Hayes, *Business Attraction Specialist*  
Jenny Hemly, *Business Attraction Specialist*  
Patrick Watson, *Business Attraction Specialist*

**Welcome and Introductions**

Chairman Arlen Wittrock called the meeting to order at 2:08 p.m.

**Council Vote on Approval of Minutes:**

Chairman Wittrock noted that the minutes for the April 28, 2016 Economic Advisory Council (EAC) meeting had been distributed and if there are no corrections he would entertain a motion to approve the minutes as distributed.

**Moved by:** Margie Watson

**Seconded by:** Steve Meyer

**All in favor. No discussion.**

**Motion approved.**

\*Note: Mark Young and Mick Wiskerchen were absent from the vote.

**Motion to Move to Executive Session**

Chairman Wittrock announced the Council will review the details of two applications for refundable tax credit under the Idaho Reimbursement Incentive Act that has been received by the Director and submitted to this Council for review. **The application contains records and information exempt from public disclosure under Idaho Code §§ 9-340D(6) and 67-4708. Chairman Wittrock entertained a motion under Idaho Code § 67-2345(1)(d) to go into executive session to review the application.**

Gina Knudson moved to enter into executive session. Steve Meyer seconded.

Roll call vote to move into executive session:

John Craner – Aye  
Gina Knudson - Aye  
Steve Meyer - Aye  
Margie Watson – Aye  
Arlen Wittrock - Aye  
Robin Woods – Aye

With over two-thirds majority in favor of moving into executive session, the Council moved into executive session at 2:12 p.m.

### **Return to Public Session**

Chairman Wittrock noted that the Council returned to the public session at 2:50 p.m.

Chairman Wittrock indicated the Council:

1. Reviewed and discussed the applications submitted for refundable tax credits; and
2. Closed the Executive Session after discussions were concluded. The motion to close the Executive Session was made by Steve Meyer, seconded by Margie Watson.

### **Review of Tax Reimbursement Incentive for PROJECT FUTURE**

Chairman Wittrock entertained a motion for Project Future.

#### **Motion:**

In the matter of the application for PROJECT FUTURE, I move that the Council approve the application and instruct the Director to enter into an agreement with PROJECT FUTURE upon the following terms:

- A post-performance refundable tax credit which represents 28% of new state revenue for 14 years.
- No less than 50 new jobs in Nez Perce County, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average county wage of \$37,135.
- Confirmation of local community match.
- Tax credit certificate issued post-performance upon review and verification by Commerce.
- Company must maintain operations in Idaho for the term of the agreement.
- Any additional terms deemed necessary by the Director not otherwise conflicting with the above conditions.

The motion was made by Margie Watson, seconded by Robin Woods.

Roll call vote to approve the TRI application for Project Future:

John Craner – Aye  
Gina Knudson - Aye  
Steve Meyer - Aye

Margie Watson – Aye  
Arlen Wittrock - Aye  
Robin Woods – Aye

With a unanimous vote, the Tax Reimbursement Incentive of **28% for fourteen (14) years for Project Future was approved** and the Council asked the Director to proceed in negotiating the final contract in coordination with Commerce's Deputy Attorney General.

The company name will be announced when the company makes a formal announcement.

#### **Review of Tax Reimbursement Incentive for PROJECT BLUE**

Chairman Wittrock entertained a motion for Project Blue.

#### **Motion:**

In the matter of the application for PROJECT BLUE, I move that the Council approve the application and instruct the Director to enter into an agreement with PROJECT BLUE upon the following terms:

- A post-performance refundable tax credit which represents 24% of new state revenue for 9 years.
- No less than 20 new jobs in Cassia County, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average county wage of \$31,108.
- Confirmation of local community match.
- Tax credit certificate issued post-performance upon review and verification by Commerce.
- Company must maintain operations in Idaho for the term of the agreement.
- Any additional terms deemed necessary by the Director not otherwise conflicting with the above conditions.

The motion was made by John Craner, seconded by Robin Woods.

Roll call vote to approve the TRI application for Project Blue:

John Craner – Aye  
Gina Knudson - Aye  
Steve Meyer - Aye  
Margie Watson – Aye  
Arlen Wittrock - Aye  
Robin Woods – Aye

With a unanimous vote, the Tax Reimbursement Incentive of **24% for nine (9) years for Project Blue was approved** and the Council asked the Director to proceed in negotiating the final contract in coordination with Commerce's Deputy Attorney General.

The company name will be announced when the company makes a formal announcement.

**Final Thoughts**

The next meeting to review TRI applications will be June 23, 2016 via teleconference. The next in person meeting will be July 27-29, 2016 in Idaho Falls. Various travel options are being explored and the Council will be notified of the most cost efficient travel plan next week.

Kallen Hayes provided an update on Project Lincoln, a project from 2015. The company has selected property in Post Falls and the agreement should soon be finalized.

The lawsuit is continuing and the Department of Commerce has filed a motion to dismiss. The hearing is scheduled for July 20, 2016 at 3:00 p.m.

**Conclusion**

Robin Woods moved to close the meeting. Steve Meyer seconded.

All ayes – motion approved.

\*Note: Mark Young and Mick Wiskerchen were absent from the vote.

Chairman Wittrock adjourned the meeting at 3:06 p.m.